



39 CFR Part 111

New Mailing Standards for Domestic Mailing Services Products

AGENCY: Postal Service™.

ACTION: Final rule.

SUMMARY: On May 28, 2021, the Postal Service (USPS®) filed a notice of mailing services price adjustments with the Postal Regulatory Commission (PRC), effective August 29, 2021. On June 23, 2021 USPS further filed a notice to change the maximum size limitation for presorted First-Class Mail postcards. This final rule contains the revisions to *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM®) to implement the changes coincident with the price adjustments and postcard size limitation changes.

DATES: Effective August 29, 2021.

FOR FURTHER INFORMATION CONTACT: Jacqueline Erwin at (202) 268-2158 or Dale Kennedy at (202) 268-6592.

SUPPLEMENTARY INFORMATION: On July 19, 2021, the PRC favorably reviewed the price adjustments proposed by the Postal Service. On July 28, 2021, the PRC favorably reviewed the presorted postcard maximum size limitations proposed by the Postal Service. The price adjustments, presorted postcard maximum limitations and DMM revisions are scheduled to become effective on August 29, 2021. Final prices are available under Docket No. R2021-2 (Order No. 5937), and presorted postcard maximum size limitations are available under Docket No. MC2021-104 (Order No. 5946) on the Postal Regulatory Commission's Web site at www.prc.gov.

Direct Pallet Discount for Marketing Mail High Density Flats

The Postal Service is offering additional discounts to move additional USPS Marketing Mail High Density flats to direct pallets. Flat shaped pieces on direct pallets are operationally desirable, as pallets can be directly cross docked to the Destination Delivery Units (DDUs). The pallets will consist of Carrier Route and finer sorted bundles such as High Density, High Density Plus, and Saturation. The nature of their make-up allows the Postal Service to avoid moving these pallets to bundle sorters within the plant, sorting the bundles, and moving these bundles back to the dock to be transported to the DDU.

First-Class Mail Nonautomation Letters Change

The Postal Service is offering two prices for nonautomation machinable letters, AADC and Mixed AADC; and three prices for nonautomation nonmachinable letters, 5-digit, 3-digit, and Mixed ADC. This structural change will reduce revenue at risk and better align prices for customers mailing nonautomation letters, machinable and nonmachinable. This change will also eliminate the nonmachinable surcharge applicable to nonautomation presort letters.

First-Class Mail Commercial Larger Postcard

The Postal Service is offering to increase the maximum dimensions for commercial postcards, from 4-1/4 inches by 6 inches to 6 inches by 9 inches.

Comments on Proposed Changes and USPS Responses

The Postal Service received two formal comments on the June 3, 2021 proposed rule.

Customer comment:

One comment expressed concerns around the lack of clarity surrounding future price increase from a timing and scale perspective.

USPS response:

In its notice of mailing services price adjustments with the PRC, the Postal Service explained that the Governors determined to shift from the Postal Service's previous January implementation schedule for annual price increases to an August timeline for 2021 in light of the recent adoption of the PRC's amendments to the ratemaking system and the urgent need to begin addressing the Postal Service's financial challenges through implementation of more rational pricing. The Postal Service further explained that the Governors have not yet determined whether this timeline shift will apply to future years.

Customer comment:

One comment expressed concerns around the new pricing category regarding pricing for AADC origin trays with fewer than 150 pieces.

USPS response:

Language was added to DMM 233.4.0 to address the concern.

List of Subjects in 39 CFR Part 111

Administrative practice and procedure, Postal Service.

The Postal Service adopts the following changes to *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM), incorporated by reference in the *Code of Federal Regulations*. See 39 CFR 111.1.

For the reasons stated in the preamble, the Postal Service amends 39 CFR Part 111 as follows:

PART 111 – [AMENDED.]

1. The authority citation for 39 CFR Part 111 continues to read as follows:

Authority: 5 U.S.C. 552(a); 13 U.S.C. 301-307; 18 U.S.C. 1692-1737; 39 U.S.C. 101, 401, 403, 404, 414, 416, 3001-3011, 3201-3219, 3403-3406, 3621, 3622, 3626, 3632, 3633, and 5001.

2. Revise the *Mailing Standards of the United States Postal Service*,

Domestic Mail Manual (DMM) as follows:

Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM)

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200 Commercial Mail

201 Physical Standards

1.0 Physical Standards for Machinable Letters and Cards

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1.2 Physical Standards for Cards Claimed at Card Prices

1.2.1 Dimensional Standards for Cards

Each card (each stamped card or postcard or each half of a double stamped card or postcard) claimed at a card price must be:

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[Revise the text of item b to read as follows:]

- b. Not more than 4-1/4 inches high, or more than 6 inches long, or greater than .016 inch thick, for each stamped card or each half of a double stamped card or double postcard.

[Renumber item c as item d and add new item c to read as follows:]

- c. Not more than 6 inches high, or more than 9 inches long, or greater than 0.016 inch thick for each postcard.

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230 First-Class Mail

233 Prices and Eligibility

1.0 Prices and Fees

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1.2 Price Computation for First-Class Mail Letters and Flats

1.2.1 Cards and Letters

Commercial First-Class Mail Presorted cards and letters are charged
as follows:

[Revise 1.2.1b2 and 1.2.1b3; to read as follows:]

* * *b. Letters: * * *

2. Nonautomation Machinable: One price per presort level up to the
maximum 3.5 ounces.

3. Non automation Nonmachinable: One price per presort level up to the
maximum 3.5 ounces.***

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[Revise the title of 1.3 to read as follows]

1.3 Automation and Nonautomation Prices for Cards and Letters

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[Revise the title and text of 1.4 to read as follows]

1.4 Nonautomation Nonmachinable Price

For the letter-size nonautomation nonmachinable prices see Notice 123–Price
List.

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2.0 Content Standards for First-Class Mail

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2.8 Round-Trip Mailings with One Optical Disc

***For the purpose of this standard, round-trip mailings are mailings entered
under these conditions:

[Revise the text of 2.8a1; to read as follows]

a. The mailing is presented at a BMEU or other acceptance facility as a:

1. presort mailing at nonautomation machinable or automation First-Class

Mail letter prices, or

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[Revise the title of 4.0 to read as follows:]

4.0 Additional Eligibility Standards for Nonautomation Machinable First-Class Mail

[Revise the title and text of 4.1 to read as follows:]

4.1 Basic Standards for Nonautomation Machinable First-Class Mail

All pieces in a First-Class Mail nonautomation machinable mailing must:

- a. Meet the basic standards for First-Class Mail in 3.0.
- b. Be part of a single mailing of at least 500 pieces of nonautomation machinable price First-Class Mail.
- c. Meet the physical standards in 201.3.0.
- d. Bear a delivery address that includes the correct ZIP Code, ZIP+4 code.
- e. Be marked, sorted, and documented as specified in 235.5.0.

[Revise the title and text of 4.2 to read as follows:]

4.2 Maximum Weight for Nonautomation Machinable Letters

Maximum weight for First-Class Mail nonautomation machinable letters is 3.5 ounces (0.2188 pound) (see 201.3.6, for pieces heavier than 3 ounces).

[Revise the title and text of 4.3 to read as follows:]

4.3 Price Application—Nonautomation Machinable - Letters

Nonautomation Machinable letters are subject to AADC and Mixed AADC prices, only.

[Add new sections 4.3.1 and 4.3.2; to read as follows:]

4.3.1 AADC Price

The AADC price applies to qualifying letter-size machinable pieces (see 201.1.0) placed in origin/entry AADC trays (regardless of quantity), to quantities of 150 or more pieces prepared in AADC trays for a single AADC, and to pieces placed in mixed AADC trays in lieu of overflow AADC trays.

4.3.2 Mixed AADC Price

The mixed AADC price applies to qualifying letter-size machinable pieces that the mailer prepares in mixed AADC trays, except for pieces placed in mixed AADC trays in lieu of overflow AADC trays (see 235.5.2.2).

[Add new section 4.4; to read as follows:]

4.4 Maximum Weight for Nonautomation Nonmachinable Letters

Maximum weight for First-Class Mail nonautomation nonmachinable letters is 3.5 ounces (0.2188 pound) (see 201.3.6, for pieces heavier than 3 ounces).

[Add new sections 4.5, 4.5.1, 4.5.2 and 4.5.3; to read as follows:]

4.5 Nonautomation Nonmachinable Price Application - Letters

Nonautomation nonmachinable prices in 1.4 apply only to First-Class Mail letter-size pieces (including card-size pieces) that meet the criteria in 201.2.1 for nonmachinable letters. Nonautomation nonmachinable letters are subject to 5-digit, 3-digit and Mixed ADC prices.

4.5.1 5-Digit Price

The 5-digit price applies to letter-size mail in quantities of 150 or more pieces for a 5-digit ZIP Code prepared in 5-digit trays (overflow pieces in 3-digit or Mixed ADC trays and 10 or more pieces, bundled in 3-digit origin/entry trays).

4.5.2 3-Digit Price

The 3-digit price applies to letter-size mail in quantities of 150 or more pieces for a 3-digit ZIP Code prepared in 3-digit trays (overflow pieces in MADC and 10 or more pieces, bundled in 3-digit origin/entry trays).

4.5.3 Mixed ADC Price

The mixed ADC price applies to letter-size pieces that are subject to the nonmachinable prices and prepared in mixed ADC trays.

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235 Mail Preparation

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[Revise the title of 5.0; to read as follows:]

5.0 Preparing Nonautomation Machinable Letters

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5.3 Nonmachinable Preparation

5.3.1 Nonmachinable Bundling

[Remove current 5.3.1c entirely; re-letter current 5.3.1d to 5.3.1c; to read as follows:]

* * * a. 5-digit (required); 10-piece minimum; red Label 5 or optional endorsement line (OEL); labeling not required for pieces in full 5-digit trays.

b. 3-digit (required); 10-piece minimum; green Label 3 or OEL.

c. Mixed ADC (required); no minimum; tan Label X or OEL.

5.3.2 Traying and Labeling

[Remove current 5.3.2c entirely; re-letter current 5.3.2d to 5.3.2c; to read as follows:]

* * * c. Mixed ADC (required); no minimum; labeling:

1. Line 1: Use L201; for mail originating in ZIP Code areas in Column A, use ``MXD" followed by city, state, and 3-digit ZIP Code prefix in Column C (use ``MXD" instead of ``OMX" in the destination line and ignore Column B).

2. Line 2: ``FCM LTR MANUAL WKG."

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240 Commercial Mail USPS Marketing Mail

243 Prices and Eligibility

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6.0 Additional Eligibility Standards for Enhanced Carrier Route USPS

Marketing Mail Letters and Flats

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6.5 High Density and High Density Plus (Enhanced Carrier Route)

Standards--Flats

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[Add new section 6.5.3; to read as follows:]

6.5.3 High Density Carrier Route Bundles on a 5-digit Pallet (High Density-CR Bundles/Pallet Price Eligibility) -- Flats

High Density--CR Bundles/Pallet prices apply to each piece in a carrier route bundle of 10 or more pieces that are palletized under 705.8.0 on a 5-digit carrier route, 5-digit carrier routes, or 5-digit scheme carrier route pallet entered at an Origin (None), DNDC, DSCF, or DDU entry.

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700 Special Standards

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705 Advanced Preparation and Special Postage Payment Systems

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5.0 First-Class Mail or USPS Marketing Mail Mailings with Different Payment Methods

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5.3 Producing the Combined Mailing

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5.3.2 Price and Postage Marking

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PRICE AND POSTAGE CATEGORY***

[Revise current price and postage category line 19; to read as follows]

Machinable Mixed AADC/AADC Meter Postage Affixed

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8.0 Preparing Pallets

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8.6 Pallet Labels

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8.6.5 Line 2 (Content Line)

[Add new CONTENT TYPE line item 5; to read as follows]

***High Density/High Density Plus

[Add new CODE line item 5; to read as follows]

***HD/HD+

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8.10 Pallet Presort and Labeling

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8.10.3 USPS Marketing Mail or Parcel Select Lightweight--Bundles, Sacks, or Trays

[Add new second sentence to 8.10.3; to read as follows:]

* * * For USPS Marketing Mail High Density flats price eligibility, only 5-digit pallets under 8.10.3a-c are allowed, and the pallets must be entered under None, DNDC, DSCF or DDU standards (Use “HD/HD+ DIRECT” for one route and “HD/HD+ CR-RTS” for multiple routes on the line 2 contents description).* * *

Preparation sequence and labeling:

[Revise the text in 8.10.3a – c to read as follows:]

a. *5-digit carrier route*, required, bundles only, 250 pound minimum. Pallet must contain only carrier route mail for one carrier and the same 5-digit ZIP Code. Labeling:

1. Line 1: city, state, and 5-digit ZIP Code destination.
2. Line 2: “STD” followed by “FLTS”; followed by “HD/HD+ DIRECT”

b. *5-digit scheme carrier routes*, required, allowed with no minimum, permitted for bundles of flats only. Pallet must contain only carrier route bundles for the same 5-digit scheme under [L001](#). Labeling:

1. Line 1: [L001](#).
2. “STD” followed by “FLTS”; followed by “HD/HD+” for High Density flats; followed by “SCHEME” (or “SCH”).***

c. *5-digit carrier routes*, required except for trays, permitted for bundles, sacks, trays, and cartons. Allowed with no weight minimum for bundles. Pallet must contain only carrier route mail for the same 5-digit ZIP Code. Labeling:

1. Line 1: city, state, and 5-digit ZIP Code destination (see [8.6.4c](#) for overseas military mail).
2. Line 2: For flats and Marketing parcels (Product Samples only), “STD FLTS” or “STD MKTG,” as applicable; followed by “HD/HD+” for High Density flats pricing eligibility; followed by “CARRIER ROUTES” (or “CR-RTS”). For letters, “STD LTRS”; followed by “CARRIER ROUTES” (or “CR-RTS”); followed by “BC” if pallet contains barcoded letters; followed by “MACH” if pallet contains machinable letters; followed by “MAN” if pallet contains nonmachinable letters.***

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10.0 Merging Bundles of Flats Using the City State Product

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10.2 USPS Marketing Mail

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10.2.5 Pallet Preparation and Labeling

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[Revise the text in 10.2.5a2; to read as follows:]

***2. Line 2: “STD FLTS CR-RTS SCHEME” followed by HD/HD+ if the pallet contains High Density/High Density plus flats.

[Revise the text in 10.2.5b2; to read as follows:]

***2. Line 2: “STD FLTS CR/5D SCHEME” followed by HD/HD+ if the pallet contains High Density/High Density plus flats

[Revise the text in 10.2.5c2; to read as follows:]

***2. Line 2: “STD FLTS,” followed by “CARRIER ROUTES” or “CR-RTS” followed by HD/HD+ if the pallet contains High Density/High Density plus flats.

[Revise the text in 10.2.5d2; to read as follows:]

2. Line 2: “STD FLTS CR/5D” followed by HD/HD+ if the pallet contains High Density/High Density plus flats.

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12.0 Merging Bundles of Flats on Pallets Using a 5% Threshold

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12.2 USPS Marketing Mail

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12.2.3 Pallet Preparation and Labeling

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***Mailers must label pallets according to the Line 1 and Line 2 information listed below and under [8.6](#).

[Revise the text in 12.2.3a2; to read as follows:]

***2. Line 2: “STD FLTS CR-RTS SCHEME” followed by HD/HD+ if the pallet contains High Density/High Density plus flats.

[Revise the text in 12.2.3b2; to read as follows:]

***2. Line 2: “STD FLTS CR/5D SCHEME” followed by HD/HD+ if the pallet contains High Density/High Density plus flats.

[Revise the text in 12.2.3c2; to read as follows:]

***2. Line 2: “STD FLTS”; followed by “CARRIER ROUTES” or “CR-RTS” followed by HD/HD+ if the pallet contains High Density/High Density plus flats.

[Revise the text in 12.2.3d2; to read as follows:]

***2. Line 2: “STD FLTS CR/5D” followed by HD/HD+ if the pallet contains High Density/High Density plus flats.

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13.0 Merging Bundles of Flats on Pallets Using the City State Product and a 5% Threshold

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13.2 USPS Marketing Mail

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13.2.4 Pallet Preparation and Labeling

***Mailers must label pallets according to the Line 1 and Line 2 information listed below and under 8.6

[Revise the text in 13.2.4a2; to read as follows:]

***2. Line 2: “STD FLTS CR-RTS SCHEME” followed by “HD/HD+” if the pallet contains High Density/High Density plus flats.

[Revise the text in 13.2.4b2; to read as follows:]

***2. Line 2: “STD FLTS CR/5D SCHEME” followed by “HD/HD+” if the pallet contains High Density/High Density plus flats.

[Revise the text in 13.2.4c2; to read as follows:]

***2. Line 2: “STD FLTS,” followed by HD/HD+ if the pallet contains High Density/High Density plus flats and “CARRIER ROUTES” or “CR-RTS”

[Revise the text in 13.2.4d2; to read as follows:]

2. Line 2: “STD FLTS CR/5D” followed by “HD/HD+” if the pallet contains High Density/ High Density plus flats.

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Notice 123 (Price List)

[Revise prices as applicable.]

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We will publish an appropriate amendment to 39 CFR Part 111 to reflect these changes.

Ruth B. Stevenson,

Chief Counsel, Ethics and Legal Compliance.

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